

OCT 1 2001

STATE OF ARIZONA

DEPARTMENT OF INSURANCE

DEPT. OF INSURANCE  
BY Kahn

In the Matter of:

CLARENCE MOURICE FERGUSON,

Respondent.

Docket No. 01A-213-INS

CONSENT ORDER

The State of Arizona, Department of Insurance ("Department"), has received evidence that Clarence Mourice Ferguson ("Respondent") violated provisions of Title 20, Arizona Revised Statutes. Respondent wishes to resolve this matter without the commencement of formal proceedings, and admits the following Findings of Fact are true and consents to entry of the following Conclusions of Law and Order.

FINDINGS OF FACT

1. Respondent became licensed to transact disability insurance in Arizona as an agent on October 17, 2000 and life insurance on November 21, 2000, Arizona license number 101324, which license expires October 31, 2001.

2. On or about October 17, 2000, Respondent filed an application ("2000 Disability Application") with the Department for a disability insurance agent license. Section V of the application states, in part, "Carefully read the questions below and check either "YES" or "NO." You should provide a "YES" answer EVEN IF YOU BELIEVE AN INCIDENT HAS BEEN CLEARED FROM YOUR RECORD OR EVEN IF THE INCIDENT HAD NOTHING TO DO WITH INSURANCE. Section V, question D on the 2000 Disability Application asks "Have you EVER had any judgment, order or other determination, including any criminal conviction issued or made against you in any criminal, civil, administrative or other judicial or quasi-judicial proceeding of any kind in any

jurisdiction based on any of the following: 1.) Misappropriation, conversion or the withholding of moneys? 2.) Incompetence or a source of injury and/or loss to anyone? 3.) Dishonesty in business or financial matters? 4.) Fraud or misrepresentation? 5.) Any cause arising out of an insurance transaction?

3. Respondent answered "No" to question D, 1 through 5, on the 2000 Disability Application.

4. On or about August 28, 1991, Respondent was indicted on Count I, Armed Bank Robbery and Count 2, Use of a Firearm During Bank Robbery in The United States of America v Clarence M. Ferguson, Criminal Case Number CR-91-334-01-PHX-RGS in the United States District Court, District of Arizona.

5. On or about July 14, 1992, Respondent entered a guilty plea to the charge of bank robbery in The United States of America v Clarence M. Ferguson, Criminal Case Number CR-91-334-01-PHX-RGS in the United States District Court, District of Arizona. The Court sentenced Respondent to twenty-three (23) months in prison, followed by supervised release of three (3) years and ordered Respondent to pay restitution in the amount of \$4,742.

6. Respondent failed to disclose this conviction on the 2000 Disability Application.

7. On or about November 21, 2000, Respondent filed an application ("2000 Life Application") with the Department for a life insurance agent license. Section V of the application states, in part, "Carefully read the questions below and check either "YES" or "NO." You should provide a "YES" answer EVEN IF YOU BELIEVE AN INCIDENT HAS BEEN CLEARED FROM YOUR RECORD OR EVEN IF THE INCIDENT HAD NOTHING TO DO WITH INSURANCE. Section V, question D on the 2000 Life Application asks "Have you EVER had any judgment, order or other determination, including any criminal conviction issued or made against you in any criminal,



1 civil, administrative or other judicial or quasi-judicial proceeding of any kind in any jurisdiction based  
2 on any of the following: 1.) Misappropriation, conversion or the withholding of moneys? 2.)  
3 Incompetence or a source of injury and/or loss to anyone? 3.) Dishonesty in business or financial  
4 matters? 4.) Fraud or misrepresentation? 5.) Any cause arising out of an insurance transaction?

5 8. Respondent answered "No" to question D, 1 through 5, on the 2000 Life Application.

6 9. Respondent failed to disclose his conviction on the 2000 Life Application.

7 10. Respondent represented to the Department that he did not disclose this matter on his  
8 2000 Disability and Life Applications, in part, because his Regional Manager advised him that he did  
9 not have to disclose the matter on his applications.

#### 10 CONCLUSIONS OF LAW

11 1. The Director has jurisdiction over this matter.

12 2. Respondent's conduct constitutes the existence of any cause for which original issuance  
13 or any renewal of the license could have been refused, within the meaning of A.R.S. §20-316(A)(1).

14 3. Respondent's conduct constitutes the willful violation of, or willful noncompliance with,  
15 any provision of this title, or any lawful rule, regulation or order of the director, within the meaning of  
16 A.R.S. §20-316(A)(2).

17 4. Respondent's conduct constitutes misrepresentation or fraud in obtaining or attempting  
18 to obtain any insurance license, within the meaning of A.R.S. § 20 -316(A)(3).

19 5. Respondent's conduct constitutes a record of dishonesty in business or financial matters,  
20 within the meaning of A.R.S. § 20-316(A)(8).

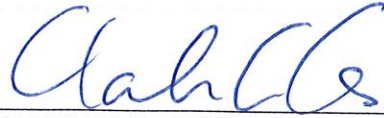
21 6. Grounds exist for the Director to suspend, revoke, or refuse to renew Respondent's  
22 insurance licenses, impose a civil penalty and/or order restitution pursuant to A.R.S. §§20-316(A) and  
23 20-316(C).

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**ORDER**

IT IS HEREBY ORDERED THAT Respondent's license is revoked effective immediately upon entry of this Order.

DATED AND EFFECTIVE this 28<sup>th</sup> day of September, 2001.

  
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CHARLES R. COHEN  
Director of Insurance

**CONSENT TO ORDER**

1. Respondent has reviewed the foregoing Findings of Fact, Conclusions of Law and Order.

2. Respondent admits the jurisdiction of the Director of Insurance, State of Arizona, and admits the foregoing Findings of Fact and consents to the entry of the foregoing Conclusions of Law and Order.

3. Respondent is aware of his right to notice and a hearing at which he may be represented by counsel, present evidence and examine witnesses. Respondent irrevocably waives his right to such notice and hearing and to any court appeals relating to this Consent Order.

4. Respondent states that no promise of any kind or nature whatsoever, except as expressly contained in this Consent Order, was made to him to induce him to enter into this Consent Order and that he has entered into this Consent Order voluntarily.


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5. Respondent acknowledges that the acceptance of this Consent Order by the Director is solely to settle this matter against him and does not preclude any other agency, officer, or subdivision of this state from instituting civil or criminal proceedings as may be appropriate now or in the future.

9/28/2001  
Date

  
Clarence Mourice Ferguson  
License Number 101324

COPIES of the foregoing mailed/delivered  
this 1<sup>st</sup> day of October, 2001, to:

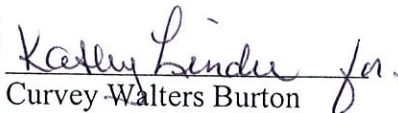
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